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SUBJECT: MEDIA REACTION; NUCLEAR NON PROLIFERATION; AMERICAS
COMPETITIVENESS FORUM; CHAVEZ-TECHINT; 05/17/07

1. SUMMARY STATEMENT

Today's major international opinion pieces are related to Argentina's nuclear development and its commitments to the Nuclear Non Proliferation regime; Argentine government officials attending the Americas Competitiveness Forum to be held in Atlanta; and negotiations between the Venezuelan Government and Argentine company Techint.

2. OPINION PIECES AND EDITORIALS

- "Argentina vis-à-vis the nuclear issue"

Daily-of-record "La Nacion" carries an op-ed piece by Carlos Escud, head of the Center for International Research, CEMA University, opines (05/17) "In the '90s Argentina adopted a foreign policy of cooperation with the West, which I called 'peripheral realism' while most of the local media termed it 'carnal relations.'"

"This policy, which has never been popular, aligned the country with all the ongoing deals against WMD. Argentina endorsed and ratified the global Nuclear Non Proliferation Treaty and the regional Treaty of Tlatelolco..."

"By doing so, the country stepped away from an abundant history of confrontation with Western powers and some neighboring countries."

"... Nevertheless, many things have changed ever since... On the other hand, the world has also changed. The US ability to impose sanctions has diminished because it is currently too committed to its wars and it cannot afford to make more enemies. Additionally, the US has demonstrated it is not up to playing the role of policing the world it wanted."

"Certainly, both Argentina and Brazil received arguments about the adverse consequences of sustaining nuclear and missile plans..."

"Nevertheless, when India and Pakistan tested nuclear weapons thereby not abiding by treaties, nothing happened! After that, came the North Korean bomb. And now, with the Iranian threat, we are on the verge of a wave of nuclear programs ..."

"Meanwhile, in spite of the constraints imposed by ongoing treaties, Argentine nuclear industry continues bearing fruit. The Argentine reactor recently inaugurated in Australia is the best evidence that not everything has collapsed here in this regard... This activity should be fostered and praised."

"The conclusion we should draw today is that Argentina should not dishonor its commitments (including those emerging from the Nuclear Non Proliferation Treaty). It should remain an ally of the West in the fight against Islamic terrorism, narco-trafficking and money

laundering. It should again fully cooperate with neighboring countries and avoid victimizing Uruguay.

"However, it should never accept the imposition of agreements that set constraints on its development of vanguard technologies.

"It no longer makes sense. The conditions imposed by peripheral realism have changed."

- "Miceli will attend a 'Competitiveness Forum' in the US"

Ana Baron, Washington-based correspondent for leading "Clarín," penned (05/17) "Economy Minister Felisa Miceli and Planning Minister Julio De Vido were invited to attend the Americas Competitiveness Forum (ACF), which will be held in Atlanta, Georgia, June 11-12...

"Hosted by US Secretary of Commerce Carlos Gutierrez, this forum is part of the so-called 'Positive Agenda' of the Bush administration for Latin America. The purpose is gathering economy ministers, leaders from the private sector, academics and NGOs to 'explore cutting edge ideas and best practices in several key areas of competitiveness.'

"The US grants major importance to this Forum, which will not only be attended by Secretary Gutierrez but also by Treasury Secretary Henry Paulson.

"In order to track the origin of this forum, one should go back to the 2005 Mar del Plata Summit of the Americas. By then, US President Bush suggested to hold a hemispheric meeting focused on the problem posed by competitiveness. Amid the tension unleashed by Chavez-led anti-Summit and FTAA discussions, the idea went unnoticed. However, now the US Department of State has strongly re-launched the idea.

"... The ACF's main tracks are: sparking and sustaining innovation;

creating solutions in education and workforce development; designing successful global supply chain strategies; and fostering small business development and growth."

- "Arm wrestling between Chavez and Techint continues"

Gustavo Bazzan, columnist of leading "Clarín," writes (05/17) "Paolo Rocca's stay in Caracas is longer than he had imagined... He was willing to reach a deal with Venezuelan President Hugo Chavez over the future of the Sidor steel company to immediately go back to his routine.

"However, when he arrived in Caracas he found a different panorama - he was not received by Chavez and only yesterday was he able to meet face to face with Venezuelan VP Jorge Rodríguez and other Venezuelan government officials.

"... The main topics subject to negotiation were the amount sold and price fixed by Sidor for its flat steel, which is sold to the domestic market, as well as the prices paid by state company Ferrominera for iron mineral, Sidor's basic input.

"Techint sources had said just a few days ago that the group agreed to lower the price of its products and pay higher prices for the inputs it buys. Nonetheless, the Venezuelan government officials seemed not to be satisfied. This is why Chavez has not shown up yet in meetings but instead sent members of his staff for more demands.

"As a matter of fact, it has become known that, in addition to insisting on the nationalization of Sidor, the steel trade union asked the corporation to supply steel for the Venezuelan naval industry and its new railways.

"...President Kirchner admitted he meddled between Chavez and Techint. Perhaps Chavez will not nationalize Sidor, but it is clear that he will continue pressuring for better conditions before the photo-op with Rocca occurs."

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